	Nationalised Banks			
12.	Oriental Bank of Commerce	2.13	0.82	46.22
13.	Punjab National Bank	220.77	53.14	150.34
14.	Punjab & Sind Bank	1.70	2.86	9.93
15.	Syndicate Bank	24.84	8.03	58.79
16.	Union Bank of India	27.86	38.81	30.57
17.	UCO Bank	165.07	110.98	220.57
18.	United Bank of India	119.00	36.51	65.48
19.	Vijaya Bank	4.19	13.26	12.72
	Total	2267.65	1742.21	2162.00

Steps Taken to Counter U.S. Sanctions

*396. SHRI PARAG CHALHA:
SHRI RAHASBIHARI BARIK:

Will the Minister of FINANCE be pleased to state:

(a) the details of steps taken/contemplated to brave the impact of U.S. sanctions against India;

(b) the details of the projects/schemes likely to be affected;

(c) whether any action plan has been prepared by Government to tackle the situation;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (d) The U.S. government imposed economic sanctions which directly affect India through assistance provided by USAID, USEXIM Bank and OPIC. The overall impact on the economy and on going projects is expected to be quite limited. Regarding USAID, only non-humanitarian aid worth US $ 12 million will be discontinued. New activities under the following two ongoing projects will be affected:

1. Energy Management Consultation and Training (EMCAT).

2. Greenhouse Gas Pollution Prevention Project (GEEP).

As a result of suspension of new activities under above mentioned two projects, USAID has deferred obligation of Development Assistance of US $ 6 million in US FY 1998.

3. The activities under Operation Research Component of Innovation in Family Planning Services project has been suspended by USAID resulting in deferment of obligation of Development Assistance of US $ 2 million is US FY 1998.

4. As a result of sanctions announced by US Government, grant assistance under following three ongoing USAID assisted projects in the Economic Growth Sector has been terminated:

(a) Financial Institutions Reforms & Expansion (FIRE) Project;
(b) Technical Assistance and Support Project (TASP);
(c) Agriculture Commercialization & Enterprise (ACE) Project.

Sanctions will also include termination of all new US EXIM Bank credits and credit guarantees for US exports to India as from May 13, 1998 as well as discontinuance US Overseas Private Investment Corporation (OPIC) guarantees for US Foreign Direct Investment ventures in

India. However, EXIM Bank loans already approved will not be affected. In addition, US opposition of extension of any loan by any multilatral financial institution could affect World Bank loans for FY 1998/99 if Japan and the EU joinUS. The complete extent of the effect is currently unclear, however, partly because the precise nature of the sanctions and suspensions is not clear.

The general approach of the government in countering the effect of sanctions is to try to get a better understanding of our position on the part of other countries and also to encourage private capital flows to substitute for whatever reduction taken place in official flows. To this end the government is pursuing its stated policies of encouraging inflows of foreign direct investment of NRI flows and ensuring that our economic situation is strong and such as to create confidence in financial markets.

(e) Does not arise.

Construction of new international airports

*397. MISS FRIDA TOPNO: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government have decided to construct new international airports in the country to attract foreign tourists;

(b) if so, the details thereof;

(c) whether Government have considered the possibility of construction of an international airport in the State of Orissa which has lot of tourist spots; and

(d) if so, the details thereof?

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) to (b) Proposals for development of new airports of international standards at Bangalore, Goa and Mumbai are under consideration at present. In addition, a new airport of international standards has been developed by the Government of Kerala as lead promoter at Cochin. Guwahati, Hyderabad, Ahmedabad and Amritsar will be developed in phases, to reach international standards.

(c) and (d) No, Sir. The main criteria adopted for setting up an international airport is the traffic potential demand from airlines, availability of adequate quantum of land for expansion/modernisation as well as economical and operational viability of the airport. The existing airport at Bhubneshwar has been developed and upgraded as a model airport to cater to limited international flights. A new terminal building has been commissioned at an estimated cost Rs. 17.78 crores. Work of extending length of the runway from 7440 ft. to 9000 ft. is in progress at an estimated cost of Rs. 12.96 crores.

Fiscal Deficit

*398. SHRI M. VENKAIAH NAIDU: Will the Minister of FINANCE be pleased to state:

(a) the fiscal deficit as on March 31, 1998 in comparison with the last two financial years; and

(b) the steps proposed to be taken by Government to minimise the deficit during the current financial year;

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) The Fiscal Deficit for the last three years was as under:—

Year	Fiscal Deficit (Rs. in crore)
1995-96	60,243
1996-97	66,733
1997-98 (RE)	86,345

(b) Government would endeavour to control the Fiscal Deficit in the current year 1998-99 at the budgeted level by maximising non-debt receipts and controlling expenditure.

Estimated Amount of Non-Recoverable Loans

*399. SHRIMATI KAMLA SINHA: Will the Minister of FINANCE be pleased to state: